

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 4, 2022

Company name: Asahi Net, Inc.
 Stock exchange listing: Tokyo
 Stock code: 3834 URL <https://asahi-net.jp/>
 Representative: President Jiro Hijikata
 Inquiries: Senior Corporate Officer Masaru Komatsu TEL 03-3541-8311
 Scheduled date to file Quarterly Securities Report: August 10, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2022	3,029	7.4	494	9.9	498	9.7	336	0.2
Three months ended June 30, 2021	2,820	–	450	–	454	–	335	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	12.03		–	
Three months ended June 30, 2021	12.03		–	

[Note] The “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020), etc., has been applied from the beginning of the first quarter ended June 30, 2021. The amounts for the first quarter of FY2021 (FY2021 ending March 31, 2022) are applied with the said accounting standard etc., and the increase/decrease compared to the same period of the previous fiscal year is not stated.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	13,396	11,464	85.6
As of March 31, 2022	12,940	11,281	87.2

[Reference] Equity As of June 30, 2022: 11,464 million yen As of March 31, 2022: 11,281 million yen

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2022	–	10.00	–	11.00	21.00
Year ending March 31, 2023	–				
Year ending March 31, 2023 (Forecast)		11.00	–	11.00	22.00

[Note] Revision from the most recently announced dividend forecast: None

3. Forecast of non-consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	12,400	7.1	2,000	9.0	2,000	8.7	1,300	3.6	46.50

[Note] Revision from the most recently announced forecast of non-consolidated financial results: None

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: Yes

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2022	32,000,000 shares	As of March 31, 2022	32,000,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	4,040,986 shares	As of March 31, 2022	4,040,986 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	27,959,014 shares	Three months ended June 30, 2021	27,908,681 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	3,992	3,790
Accounts receivable - trade and contract assets	2,014	1,985
Securities	2,000	2,000
Supplies	623	622
Other	240	449
Allowance for doubtful accounts	(20)	(17)
Total current assets	8,851	8,830
Non-current assets		
Property, plant and equipment		
Machinery and equipment, net	1,941	2,034
Other, net	420	389
Total property, plant and equipment	2,361	2,423
Intangible assets	830	1,070
Investments and other assets	898	1,071
Total non-current assets	4,089	4,565
Total assets	12,940	13,396
Liabilities		
Current liabilities		
Accounts payable - trade	454	427
Accounts payable - other	739	913
Income taxes payable	296	159
Other	169	430
Total current liabilities	1,659	1,931
Non-current liabilities	0	0
Total liabilities	1,659	1,931
Net assets		
Shareholders' equity		
Share capital	630	630
Capital surplus	848	848
Retained earnings	11,670	11,699
Treasury shares	(2,023)	(2,023)
Total shareholders' equity	11,126	11,155
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	154	309
Total valuation and translation adjustments	154	309
Total net assets	11,281	11,464
Total liabilities and net assets	12,940	13,396

Non-consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	2,820	3,029
Cost of sales	1,910	2,097
Gross profit	910	931
Selling, general and administrative expenses	460	437
Operating profit	450	494
Non-operating income		
Dividend income	3	3
Other	0	0
Total non-operating income	4	4
Ordinary profit	454	498
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	29	—
Total extraordinary income	29	—
Extraordinary losses		
Loss on retirement of non-current assets	0	13
Total extraordinary losses	0	13
Profit before income taxes	483	484
Income taxes	147	148
Profit	335	336